

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Tuesday, September 15, 2015, 9:30 a.m.

LOCATION: Betty Easley Conference Center, Joseph P. Cresse Hearing Room 148

DATE ISSUED: September 3, 2015

NOTICE

Persons affected by Commission action on certain items on this agenda may be allowed to address the Commission, either informally or by oral argument, when those items are taken up for discussion at this conference. These items are designated by double asterisks (***) next to the agenda item number.

To participate informally, affected persons need only appear at the agenda conference and request the opportunity to address the Commission on an item listed on agenda. Informal participation is not permitted: (1) on dispositive motions and motions for reconsideration; (2) when a recommended order is taken up by the Commission; (3) in a rulemaking proceeding after the record has been closed; or (4) when the Commission considers a post-hearing recommendation on the merits of a case after the close of the record. The Commission allows informal participation at its discretion in certain types of cases (such as declaratory statements and interim rate orders) in which an order is issued based on a given set of facts without hearing.

See Rule 25-22.0021, F.A.C., concerning Agenda Conference participation and Rule 25-22.0022, F.A.C., concerning oral argument.

Agendas, staff recommendations, and vote sheets are available from the PSC Web site, <http://www.floridapsc.com>, by selecting *Conferences & Meeting Agendas and Commission Conferences of the FPSC*. Once filed, a verbatim transcript of the Commission Conference will be available from this page by selecting the conference date, or by selecting *Clerk's Office* and the Item's docket number, (you can then advance to the *Docket Details* page and the Document Filings Index for that particular docket). An official vote of "move staff" denotes that the Item's recommendations were approved. If you have any questions, contact the Office of Commission Clerk at (850) 413-6770 or e-mail the clerk at Clerk@psc.state.fl.us.

In accordance with the American with Disabilities Act, persons needing a special accommodation to participate at this proceeding should contact the Office of Commission Clerk no later than five days prior to the conference at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, via 1-800-955-8770 (Voice) or 1-800-955-8771 (TDD), Florida Relay Service. Assistive Listening Devices are available at the Office of Commission Clerk, Gerald L. Gunter Building, Room 152.

The Commission Conference has a live video broadcast the day of the conference, which is available from the PSC's Web site. Upon completion of the conference, the video will be available from the Web site by selecting *Conferences & Meeting Agendas*, then *Audio and Video Event Coverage*.

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ITEM NO.

CASE

1**

Consent Agenda

PAA

A) Application for Certificate of Authority to Provide Telecommunications Service.

| <u>DOCKET NO.</u> | <u>COMPANY NAME</u> |
|-------------------|---------------------|
| 150119-TX | Pro-Net, Inc. |
| 150161-TX | Kuhl Group Inc. |

Recommendation: The Commission should approve the action requested in the dockets referenced above and close these dockets.

ITEM NO.

CASE

2**

Docket No. 150022-WU – Initiation of show cause proceedings against Wildwood Water Company in St. Johns County for violations of Sections 350.113, 367.121, 367.145 and 367.161, F.S., and Rules 25-30.120 and 25-30.110, F.A.C.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: GCL: Corbari, Ames

AIT: Belcher

AFD: Bulecza-Banks, Fletcher, Polk

ECO: Earnhart

Issue 1: Should the Commission accept the Settlement Agreement proposed by Wildwood Water Company, to resolve the apparent violations of Sections 350.113, 367.121, 367.145 and 367.161, F.S., and Rules 25-30.120 and 25-30.110, F.A.C.?

Recommendation: Yes. The Commission should accept the Settlement Agreement proposed by Wildwood Water Company, to resolve the apparent violations of Sections 350.113, 367.121, 367.145 and 367.161, F.S., and Rules 25-30.120 and 25-30.110, F.A.C., and to pay its delinquent Regulatory Assessment Fees, plus statutory penalties and interest, for the years 2009, 2010, 2011, 2012, 2013, and 2014, as well as pay a \$2,500 penalty for its delinquent Annual Reports for the years 2009, 2010, 2011, 2012, and 2013. The Settlement Agreement provides a reasonable resolution of the outstanding issues in the docket, appears to be in the public interest, and promotes administrative efficiency.

Issue 2: Should this Docket be closed?

Recommendation: No. If Issue 1 is approved, the Settlement Agreement would resolve all matters in Docket No. 150022-WU, in accordance with Section 120.57(4), F.S. Staff recommends the docket remain open to process the settlement payments and to monitor ongoing compliance with the terms of this Settlement Agreement. Once all the terms of the Settlement Agreement and all outstanding amounts owed have been satisfied, the docket may be administratively closed. Should Wildwood fail to comply with any of the terms of the proposed Settlement Agreement, staff requests the Commission authorize the Office of the General Counsel to pursue all reasonable means necessary to enforce the terms of the Settlement Agreement, including any Commission Order approving same, and to collect the amounts owed by Wildwood, pursuant to Sections 120.69 and 367.121(1)(g) and (j), F.S., including, but not limited to, initiating an action in circuit court and seeking the placement of a lien on the real and personal property of Wildwood.

ITEM NO.

CASE

3**PAA

Docket No. 150151-TL – Petition for approval of implementation of 1+10-digit dialing for Walnut Hill and Molino, Florida exchanges, by Frontier Communications of the South, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brown

Staff: TEL: Beard, Casey

GCL: Murphy

Issue 1: Should the Commission approve 10-digit Mandatory Dialing for the Walnut Hill and Molino exchanges?

Recommendation: Yes, staff recommends that the Commission approve 10-digit Mandatory Dialing for the Walnut Hill and Molino exchanges.

Issue 2: Should this docket be closed?

Recommendation: If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

ITEM NO.

CASE

4**

Docket No. 150148-EI – Petition for approval to include in base rates the revenue requirement for the CR3 regulatory asset, by Duke Energy Florida, Inc.

Docket No. 150171-EI – Petition for issuance of nuclear asset-recovery financing order, by Duke Energy Florida, Inc. d/b/a Duke Energy.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: AFD: Cicchetti, Archer, Bulecza-Banks, D. Buys, Cornelius, Fletcher, Maurey, Mouring, Slemkewicz

APA: Deamer, Hill

ECO: Draper, Higgins, McNulty, Shafer

ENG: Matthews

GCL: Gervasi, Ames, Corbari, Tan, Young

IDM: Laux

Motion to Approve Stipulation in Docket No. 150148-EI prior to hearing.

ITEM NO.

CASE

5**PAA

Docket No. 140174-WU – Application for approval of transfer of Certificate No. 117-W from Crestridge Utility Corporation to Crestridge Utilities, LLC, in Pasco County.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: ENG: Ellis

AFD: T. Brown, Norris

ECO: Thompson

GCL: Brownless

(Proposed Agency Action for Issue 2 only.)

Issue 1: Should the application for transfer of Certificate No. 117-W from Crestridge Utility Corporation to Crestridge Utilities, LLC be approved?

Recommendation: Yes, but with conditions which have been agreed to by the owner of the utility. These conditions include payment of RAFs and filings of annual reports in a timely manner, meeting all environmental and health requirements for operation, responding to staff data requests in a timely and complete fashion, not purchasing any additional utilities until after December 31, 2017, and updating staff on existing utility system purchases.

Staff recommends that, with the conditions discussed herein, the transfer is in the public interest and should be approved effective the date of the Commission vote. The territory being transferred is described in Attachment A of staff's memorandum dated September 3, 2015. The resultant order should serve as Crestridge Utilities, LLC's Certificate No. 117-W and be retained. The existing rates and charges should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariffs reflecting the transfer should be effective for services rendered or connections made on or after the stamped approval date on the tariffs, pursuant to Rule 25-30.475, F.A.C. Crestridge Utilities, LLC should be responsible for annual reports and RAFs for 2015 and future years.

Issue 2: What is the appropriate net book value for Crestridge's water system for transfer purposes and should an acquisition adjustment be approved?

Recommendation: The net book value of Crestridge's water system for transfer purposes should be \$62,265 as of August 27, 2014. An acquisition adjustment should not be included in rate base. Within 90 days of the date of the final order, Crestridge should be required to provide general ledger balances which show its books have been updated to reflect the Commission-approved balances as of August 27, 2014. The adjustments should be reflected in the Utility's 2015 Annual Report when filed.

ITEM NO.

CASE

5**PAA

Docket No. 140174-WU – Application for approval of transfer of Certificate No. 117-W from Crestridge Utility Corporation to Crestridge Utilities, LLC, in Pasco County.

(Continued from previous page)

Issue 3: Should this docket be closed?

Recommendation: If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the order, a consummating order should be issued and the docket should be closed administratively after Crestridge has provided proof that its general ledgers have been updated to reflect the Commission-approved balances, as of August 27, 2014.

ITEM NO.

CASE

6**PAA

Docket No. 140176-WU – Application for approval of transfer of Certificate No. 116-W from Holiday Gardens Utilities, Inc. to Holiday Gardens Utilities, LLC, in Pasco County.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Brisé

Staff: ENG: Ellis

AFD: T. Brown, Norris

ECO: Thompson

GCL: Brownless

(Proposed Agency Action for Issue 2 only.)

Issue 1: Should the application for transfer of Certificate No. 116-W from Holiday Gardens Utilities, Inc. to Holiday Gardens Utilities, LLC be approved?

Recommendation: Yes, but with conditions which have been agreed to by the owner of the utility. These conditions include payment of RAFs and filings of annual reports in a timely manner, meeting all environmental and health requirements for operation, responding to staff data requests in a timely and complete fashion, not purchasing any additional utilities until after December 31, 2017, and updating staff on existing utility system purchases.

Staff recommends that with the conditions discussed herein the transfer is in the public interest and should be approved effective the date of the Commission vote. The territory being transferred is described in Attachment A of staff's memorandum dated September 3, 2015. The resultant order should serve as Holiday Gardens Utilities, LLC's Certificate No. 116-W and be retained. The existing rates and charges should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariffs reflecting the transfer should be effective for services rendered or connections made on or after the stamped approval date on the tariffs, pursuant to Rule 25-30.475, F.A.C. Holiday Gardens Utilities, LLC should be responsible for annual reports and RAFs for 2015 and future years.

Issue 2: What is the appropriate net book value for Holiday Gardens' water system for transfer purposes and should an acquisition adjustment be approved?

Recommendation: The net book value of Holiday Gardens' water system for transfer purposes should be \$19,380 as of August 27, 2014. An acquisition adjustment should not be included in rate base. Within 90 days of the date of the final order, Holiday Gardens should be required to provide general ledger balances which show its books have been updated to reflect the Commission-approved balances as of August 27, 2014. The adjustments should be reflected in the Utility's 2015 Annual Report when filed.

ITEM NO.

CASE

6**PAA

Docket No. 140176-WU – Application for approval of transfer of Certificate No. 116-W from Holiday Gardens Utilities, Inc. to Holiday Gardens Utilities, LLC, in Pasco County.

(Continued from previous page)

Issue 3: Should this docket be closed?

Recommendation: If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the order, a consummating order should be issued and the docket should be closed administratively after Holiday Gardens has provided proof that its general ledgers have been updated to reflect the Commission-approved balances, as of August 27, 2014.

ITEM NO.

CASE

7**

Docket No. 150113-WS – Application for transfer of majority organizational control of Orange Blossom Utilities, Inc., holder of Certificate Nos. 639-W and 548-S in Sumter County, from Nancy Steinmetz Roach to Jonathan S. Dean.

Critical Date(s): 10/27/15 (60-Day Suspension Date)

Commissioners Assigned: All Commissioners

Prehearing Officer: Edgar

Staff: ENG: Hill, King

AFD: Fletcher, Frank, Norris

ECO: Thompson

GCL: Villafrate

Issue 1: Should the application for transfer of majority organizational control of Orange Blossom Utilities, Inc. in Sumter County from Nancy Steinmetz Roach to Jonathan S. Dean be approved?

Recommendation: Yes. The transfer of majority organizational control from Nancy Steinmetz Roach to Jonathan S. Dean is in the public interest and should be approved effective the date of the Commission vote. The resultant order should serve as the water and wastewater certificates, with the territory described in Attachment A of staff's memorandum dated September 3, 2015. The existing rates and charges should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariffs reflecting the transfer should be effective for services rendered or connections made on or after the stamped approval date on the tariffs, pursuant to Rule 25-30.475(1), Florida Administrative Code, (F.A.C.).

Issue 2: Should Orange Blossom be authorized to collect Non-Sufficient Funds (NSF) charges?

Recommendation: Yes. Staff recommends that the Utility revise its tariffs to reflect the NSF charges currently set forth in Sections 832.08(5) and 68.065(2), F.S. The NSF charges should be effective on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. Furthermore, the charges should not be implemented until staff has approved the proposed customer notice. The Utility should provide proof of the date the notice was given within 10 days of the date of the notice.

Issue 3: Should this docket be closed?

Recommendation: Yes. If the Commission approves staff's recommendation in Issues 1 and 2, the tariffs should become effective on September 15, 2015. If a protest is filed within 21 days of the issuance of the order, the tariffs should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

ITEM NO.

CASE

8**

Docket No. 150159-EI – Petition for approval of tariff revisions to implement customer relationship management (CRM) project, by Tampa Electric Company.

Critical Date(s): 60-Day Suspension Date Waived by the Company Until the 9/15/15 Agenda Conference

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Ollila

GCL: Mapp

Issue 1: Should the Commission approve Tampa Electric's proposed tariff revisions?

Recommendation: Yes. The Commission should approve Tampa Electric's proposed tariff revisions effective on the transition date of the CRM system, expected to occur on or about July 5, 2016. No later than 30 days prior to the transition date the Company should notify the Commission in writing of the actual transition date.

Issue 2: Should this docket be closed?

Recommendation: No. If a protest is filed within 21 days of the issuance of the order, any revenues collected once the tariff becomes effective should be held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

ITEM NO.

CASE

9**

Docket No. 150160-GU – Petition for approval of tariff revisions to implement customer relationship management (CRM) project, by Peoples Gas System.

Critical Date(s): 60-Day Suspension Date Waived by the Company Until the 9/15/15 Agenda Conference

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Ollila

GCL: Mapp

Issue 1: Should the Commission approve Peoples' proposed tariff revisions?

Recommendation: Yes. The Commission should approve Peoples' proposed tariff revisions effective on the transition date of the CRM system, expected to occur on or about July 5, 2016. No later than 30 days prior to the transition date the Company should notify the Commission in writing of the actual transition date.

Issue 2: Should this docket be closed?

Recommendation: No. If a protest is filed within 21 days of the issuance of the order, any revenues collected once the tariff becomes effective should be held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

ITEM NO.

CASE

10**PAA

Docket No. 150177-EI – Joint petition by Tampa Electric Company, Duke Energy Florida, and Mosaic Fertilizer, LLC, for approval of intermittent electric standby power agreement.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Draper

ENG: Ellis, Wooten

GCL: Leathers, Crawford

Issue 1: Should the Commission approve the proposed intermittent electric standby power agreement between Tampa Electric, Duke, and Mosaic?

Recommendation: Yes. The agreement is consistent with the Commission's policy of encouraging agreements, promotes renewable energy, and has no immediate impact on Tampa Electric's and Duke's general body of ratepayers.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no protest is filed by a person whose substantial interests are affected within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a Consummating Order.

ITEM NO.

CASE

11

Docket No. 150178-EI – Petition for approval of tariff rate changes to implement approved step increase by Tampa Electric Company.

Critical Date(s): Pursuant to Order No. PSC-13-0443-FOF-EI tariff is effective first billing cycle in November 2015.

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ECO: Draper

GCL: Janjic

(Participation is at the discretion of the Commission.)

Issue 1: Should the Commission approve Tampa Electric's tariff rate changes to implement the step increase approved in the settlement order?

Recommendation: Yes, the Commission should approve Tampa Electric's tariff rate changes to implement the step increase approved in the settlement order. Pursuant to the settlement order, the rate changes should become effective with the date of the meter reading for the first billing cycle of November 2015, which falls on November 1, 2015. Tampa Electric should notify customers of the approved new rates in the October bills.

Issue 2: Should this docket be closed?

Recommendation: Yes, if the Commission approves Issue 1, the docket should be closed.